THE REGENTS

THE REGENTS

foreword

The California Federation of Teachers has called for a citizens' commission to investigate the composition and operation of the Board of Regents of the University of California.

Before the commission can complete its task, however, the Regents will have met to decide the fate of our University. The FSM is therefore publishing this preliminary report--made independently of the CFT--in order to acquaint students, faculty, and the general public with the men who rule the University.

It is not our intent to "dig up all the dirt" on the Regents. Our concern is with considerations which would lead the Regents into conflict with the stated aims of the University they rule.

Taken as a group, the Regents are representatives of only one thing--corporate wealth. As major employers and as Regents of the University, they control more than money; they make money through the control of other men. They direct the productive energies of hundreds of thousands of human beings and set the limits to their opportunities for creative and satisfying achievements through work and study.

Answering charges of commodity speculation and conflict of interest before a U. S. Senate Committee, Regent Edwin Pauley said, "I dealt in everything I could make a profit in, in the good old American way." The main conflict of interest between us and the Regents is that we are one of the commodities which Regent Pauley and his colleagues can "make a profit in."

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Executive Session

It is not very easy to do research on the Board of Regents. Although we think of them as public in character, they consider themselves a private corporation not responsible to the public. Accordingly, they operate in secret.

The only documents available to the public are the minutes of the Regents' regular sessions. Executive session minutes are kept secret, even years after the meeting. Documents presented in executive session are also kept secret.

It is apparent that not much happens at regular sessions. Typically, the minutes reveal nothing but a series of committee reports adopted unanimously without discussion. A systematic check of the minutes for January-July, 1963, revealed only one non-unanimous vote.

Real business is carried on in executive session or in informal meetings of which no written record may exist. Until 1961, the regulations allowed the Regents to meet in executive session whenever they chose. The Brown Act, requiring public bodies to meet in public, did not apply to the Regents. In 1961 Assembly Speaker Ralph Brown, a Regent ex-officio who was annoyed at the Board's secrecy, prepared a constitutional amendment that would have forced the Regents into open session except when discussing atomic energy questions, personnel changes, and honorary degrees. The Regents headed off the Assembly by adopting a new by-law[1] for themselves that roughly paralleled the proposed amendment. Speaker Brown then agreed to drop the question. Enforcement of the by-laws is up to the Regents themselves, of course, and they have not been doing a very good job of it.

At their meeting of October 20, for instance, the Regents discussed the free speech controversy in executive session even though it clearly did not fall into any of the areas exempt from public discussion. At the December 18 meeting, the press was permitted to attend the regular session "discussion" of the free speech question (it was obvious that the real discussion had been in private), but representatives of the Free Speech Movement and of the Academic Senate were not allowed to attend. (The by-law states that "all persons shall be permitted to attend any meeting of the Board except during executive sessions.")

Minutes of Regents meetings usually contain somewhere the notation: "And then The Regents went into executive session." There is never any indication of what topic it was that required secrecy. This makes it much easier for the Regents to abuse their own anti-secrecy rules.

If minutes are sparse, documents often do not exist. The by-laws

and standing orders, for instance, are kept in a loose-leaf notebook; whenever there are amendments or deletions, new pages are inserted and the old ones removed and destroyed. Even a historian armed with subpena power could not discover what the by-laws used to be.

More serious is the secrecy that surrounds the University's finances. The Regents have some $400 million of public money to invest, of which some $130 million is in common stocks. That much we are permitted to know. But the exact location of the money is not for taxpayers to know. According to Owsley B. Hammond, Treasurer of the Board of Regents, there are about 110 corporations whose stock the University buys, but it is Regents policy not to divulge the names of those corporations, let alone the amount of stock held in each corporation.

The reason for this policy, Mr. Hammond explains, is that stock brokers would deluge the Treasurer's office with telephone calls if they knew which blocks of shares the University held. The staff is simply not big enough to handle it, he said. The explanation seems plausible enough: but a week earlier Assistant Treasurer Stanley Thomson gave another inquirer an entirely different story. He said the list was kept secret because unscrupulous stockbrokers might recommend certain stocks to their clients on the strength of the University's ownership of them. Mr. Thomson was present when we interviewed Mr. Hammond, but he did not bring up his plausible explanation. Apparently any explanation will do.

It would take only one dedicated Regent to crack the barrier of silence by demanding, for instance, that the Regents adhere to their by-laws in the matter of executive sessions. But although there are differences among them, the sentiment of solidarity is strong enough to insure that all differences are settled in private; the Regents present a united front to the public.

How is it that twenty-four people thrown together have achieved such solidarity? The fact is that they are not just thrown together. Most of them came from the same social stratum; they meet each other at the Pacific Union Club, at board meetings of corporations, at social functions.

Their world is illustrated dramatically in the Time cover story[2] on Dorothy Chandler. The story had nothing to do with the University; it was about Mrs. Chandler's activities as a money-raiser for musical activities in Los Angeles. Nevertheless, three Regents popped up in one paragraph:

> She [Mrs. Chandler] spied her old friend, oilman Edwin Pauley, led him into the bar, and appealed to his patriotism, chauvinism, civic pride, social duty, and the obligation to an old friend. Pauley surrendered. Buff was starting out of the bar with his pledge of $125,000 when she spotted another oilman, Samuel Mosher, chairman of the Signal Oil & Gas Company. A few minutes later, she announced triumphantly at the luncheon that the $4,000,000 goal had been reached.

A fourth Regent, Edward Carter, had appeared earlier in the piece. Now let us take a look at all the members of the club.

Who Are the Regents?[3]

EDWARD CARTER, Chairman of the Board of Regents, is President of Broadway-Hale Stores, the largest department store chain in the West. He is a director of Emporium Capwell, a Northern California chain controlled by Broadway-Hale.

Carter is a director of the Northrop Corporation; which produces military aircraft; Pacific Mutual Life Insurance Company, with assets of $692 million; Western Bancorporation, a bank holding company that owns majority interest in 23 full service commercial banks and has assets of $6.2 billion; the United California Bank (owned by Western Bancorporation), the fifth largest bank in California; Pacific Telephone and Telegraph; and the Southern California Edison Company.

He is a trustee of the Irvine Foundation, which owns 51% of the Irvine Ranch, which owns 20% of Orange County (93,000 acres).

JESSE TAPP is president of the State Board of Agriculture, and thus a Regent ex-officio. He is Chairman of the Bank of America, the biggest bank in the United States.

THEODORE MEYER is President of the Mechanics' Institute and thus entitled to a seat on the Board of Regents. (The Mechanics' Institute once had the largest library in California and was an important cultural force, but today it represents very little.)

Meyer is a member of Brobeck, Phleger and Harrison, one of California's top two law firms. He is also a director of Broadway-Hale Stores, along with Carter; and of the Newhall Land and Farming Company.

W. THOMAS DAVIS is President of the Alumni Association, and hence, a Regent ex-officio. He is President of Blue Goose Growers and of its parent company, Western Fruit Growers Sales Corporation.

DOROTHY CHANDLER is Vice-President and Director of the Times-Mirror Company. The company not only publishes the Los Angeles Times, but manages extensive real estate holdings in Los Angeles and owns majority or complete interest in the following companies:

Publisher's Paper Company: produces newsprint and other paper products. With a subsidiary, it owns 94,000 acres of timberland in Oregon. It is building a $4,000,000 plywood plant.

New American Library of World Literature, Inc.: publishes the "Signet" and "Mentor" series of paperback books.

H.M. Gousha Co.: publishes road maps.

Cardoza Bookbinding Co.: operates the largest bindery in the West.

The Sun Co.: publishes the San Bernadino Sun-Telegram.

World Publishing Co.: the leading publisher of Bibles and the second largest publisher of dictionaries in the United States.

Atherton Real Estate Corp.: leases property to chain stores.

The Times-Mirror Company is also reported to own 40% of the Tejon Ranch Company, which owns 285,000 acres in Kern and Los Angeles County. Approximately 100,000 of these acres are in districts seeking Central Valley or Feather River Project water. Sites for four tunnels and pump stations for the California Aqueduct are on the Ranch's property. There are oil leases on 62,000 acres.

Mrs. Chandler is the wife of Norman Chandler, a director of the following corporations: Kaiser Steel; Safeway Stores; the Atchinson, Topeka and Santa Fe Railway; Pan-American World Airways; Buffums, a small department-store chain; Dresser Industries, a Dallas-based producer of oil, chemicals, and gas and electronic equipment, with annual sales of $245 million; and the Security First National Bank (Los Angeles) which has assets of $4.5 billion and ranks seventh in the U.S. in deposits.

DONALD McLAUGHLIN is Chairman of the Homestake Mining Company, the nation's largest gold producer. Homestake mines other metals all over the West. Together with United Nuclear Corporation, (of which McLaughlin is a director) it has a contract with the Atomic Energy Commission to supply $135 million worth of uranium oxide.

McLaughlin is a director of the International Nickel Company of Canada, one of the most important mining companies in the world, with annual sales of $500 million. He is also a director of the Bunker Hill Company, an important lead and zinc producer; the Cerro Corporation and the San-Luis Mining Company, which operate South American copper mines; Western Airlines; and the Wells Fargo Bank.

JOHN CANADAY is a Vice-President of Lockheed Aircraft. He is also Vice-President of the California Manufacturing Association.

CATHERINE HEARST is the wife of Randolph A. Hearst, President of Hearst Publications and the Hearst Publishing Company.

SAMUEL MOSHER is Chairman of the Signal Oil and Gas Company and owns 53% of its voting stock. Signal is a major California producer. In addition it owns 33% of the American Independent Oil Company (of which Mosher is Vice-President) which holds a 50% interest in a 2600 square mile concession in the neutral zone between Kuwait and Saudi Arabia. Signal Oil and Gas of Venezuela owns 50% of a 28,000 acre concession in Lake Maracaibo.

Signal also owns 48% of American President Lines, and the entire stock of the Garrett Corporation, an aerospace manufacturer with annual sales of $225 million.

Mosher is also Chairman of Flying Tiger Lines, a cargo operator.

PHILLIP BOYD is a director of the Security First National Bank, along with Norman Chandler. He is also a director of the Citizen's National Trust and Savings Bank (Riverside) and is President of Deep Canyon

Properties, a real estate concern.

NORTON SIMON is President of Hunt Foods and Industries, one of the two giant companies that dominate the California food processing industry. Simon is also a director of the McCall Corporation (publishing); the Northern Pacific Railway; and Wheeling Steel.

EDWIN PAULEY is Chairman of the Pauley Petroleum Company. The company holds a minor interest in the American Independent Oil Company (see Mosher), and has extensive operations in Mexico and the Western United States. In addition, Pauley is a director of Western Airlines and of the First Western Bank and Trust Company (Los Angeles), which has assets of $680 million.

WILLIAM ROTH is a director of the following corporations: Matson Navigation, which operates Matson Lines; Crown Zellerbach, the largest paper producer in the United States; Pacific Intermountain Express; a trucking line; and United States Leasing Corporation, a financing company.

These thirteen "business regents", taken together, represent a big hunk of the California economy. We have here the Bank of America, three other big banks and a few smaller ones; two oil companies; three aircraft manufacturers; two shipping lines, two airlines, a trucking line and two railways; two giant utilities; several chain stores; two publishing empires; half of the food packing industry; and hundreds of thousands of acres of irrigated farmland.

There may be quite a bit more. The number of shares owned by individuals or family trusts is usually not a matter of public record. It is entirely possible that some of these Regents have share interests much more significant than the corporate positions we have listed. Limiting ourselves to the public record, we notice that many of their corporate positions serve to plug various Regents into a high-powered network of interlocking directorates stretching across California and much of the nation. Here are some examples:

Prentis C. Hale is Chairman of Broadway-Hale Stores, Regent Carter's major interest. Hale is at the same time a director of the Bank of America, Union Oil, Pacific Vegetable Oil, and the Di Giorgio Fruit Corporation. The bond between Broadway-Hale and the Di Giorgio interests is strenghtened by the presence of Robert Di Giorgio on the board of Broadway-Hale. Di Giorgio is, like Hale, also a director of Bank of America and of Union Oil; and like Carter, of Pacific Telephone and Telegraph.

Charles S. Hobbs, a vice-president and director of Broadway-Hale is also on the board of the United California Bank (along with Carter) and of Trans-Worls Airlines. Another Broadway-Hale director, Roy Shurtleff, is a director of Del Monte Properties.

The board meetings of Pacific Mutual Life which Carter attends are chaired by Asa V. Call, who is also on the board of Southern California Edison and Western Bancorporation (where he meets Carter again); and of North American Aviation and Standard Oil of California.

The board meetings of United California Bank and Western Ban-

corporation are chaired by Frank L. King, who is also a director of Pacific-Mutual Life and of the Times-Mirror Company (see Chandler).

The Chairman of Southern California Edison is W.C. Mullendore, who is also a director of North American Aviation. On the board of trustees of the Irvine Foundation, Carter serves along with Robert Gerdes, Executive Vice-President of Pacific Gas and Electricity.

This is just a sample. To trace all the threads would require more pages than there are in this pamphlet and more computer time than we can pay for. If we should take each corporation of which a Regent is a director and trace the connections of every other director, the threads would extend and double back, getting denser and denser until they formed a solid fabric which might well assume the shape of the state of California. When we deal with these thirteen Regents, then, we are dealing not with mere businessmen but with Business.

The other eleven people on the Board of Regents by no means represent a unified force capable of counter balancing business domination. They are a mixed bag of lawyers, politicians, educational administrators, a labor leader, (None of them is an independent scholar or a working teacher, needless to say).

EDMUND G. BROWN, Governor of California, was elected on the strength of labor votes and has a liberal reputation. Nevertheless, he has courted agribusiness at the expense of agricultural workers.

GLENN ANDERSON is Lieutenant-Governor of California. The University's official biographical sketch refers to him as a "property investor and developer" as well. Anderson is considered to be one of the most liberal political figures in Sacramento.

JESSE UNRUH, Speaker of the Assembly, leads the conservative wing of the California Democratic Party.

MAX RAFFERTY, State Superintendant of Education, is a leading conservative spokesman.

CLARK KERR, President of the University of California, has identified himself with the view that universities must serve business.

CORNELIUS HAGGERTY is President of the Building and Construction Trades Department, AFL-CIO. Haggerty himself, and the building trades generally, are considered to represent the conservative wing of the labor movement.

WILLIAM FORBES has made his career in advertising, as executive assistant to the President and Chairman of CBS, and with the firm of Young and Rubicam. He is now President of the Southern California Music Company and a director of Bell Brand Foods, Ltd. He is a former president of the UCLA alumni association.

FREDERICK DUTTON is U.S. Assistant Secretary of State for Congressional Relations. He was an attorney for Southern Counties Gas Company until 1957. In 1958, he served as chairman of the Brown

for Governor Committee, and then became executive secretary to Governor Brown. Since 1961 he has held various appointive positions in Washington.

LAURENCE KENNEDY is a Redding attorney, former District Attorney of Shasta County and former president of the Redding Chamber of Commerce. He is a member of the law firm of Carr and Kennedy, whose representative clients (as listed in Martindale, Hubble) are Pacific Telephone, PG&E, several lumber companies and assorted small businesses.

WILLIAM COBLENTZ, a San Francisco attorney, is a director of the Bay Area Urban League, and was until recently a director of the Northern California ACLU. He is also a director of the California Business Advisory Council and of three small firms: Advance Material and Processes, Hollister Land Company, and Kimball Manufacturing Co.

ELINOR HELLER is a former member of the Democratic National Committee. She serves on the boards of various civic groups like the World Affairs Council of Northern California, the San Francisco Symphony Association, and the League of Women Voters. She is the widow of Edward Heller, who was a director of Wells Fargo Bank, Permanente Cement, and Pacific Intermountain Express.

It is clearly a heterogeneous group rather than a unified center of power. Some of them are liberal and some conservative, but none--except perhaps Max Rafferty--has felt so strongly moved by his principles as to state them publicly during the free speech crisis.

Two of them, Mr. Coblentz and Mrs. Heller, are reputed to be liberals. But Mrs. Heller's connections are with charitable and civic organizations, not with any liberal group. Mr. Coblentz gave up his position in the ACLU in October because of "lack of time"; although he had enough time to remain with the Hollister Land Company. (Perhaps he recognized that to serve simultaneously with the ACLU and the Board of Regents might be a conflict of interest.) During the four months of the free speech controversy, they have made no public statement that would differentiate them from the most conservative Regents.

We should note that several of the Regents have been appointed in clear violation of Article IX, Section 9 of the state constitution which says, "the University shall be free from political or sectarian influence in the appointment of its Regents. . ." Edwin Pauley was first appointed in 1938, at a time when his major distinction was as an oil lobbyist. Phillip Boyd was appointed by Republican governor Knight a few years after serving as Republican State Chairman. Frederick Dutton was appointed by Governor Brown a few years after running Brown's campaign.

The Uses of the University

Business domination of the Board of Regents can lead to two kinds of conflict of interest. The Regents may use the University to further the interests of their own private corporations; or they may use it to further the general needs of big business.

The Regents have no formal rules to protect against personal enrichment. According to Treasurer Hammond, the Regents adhere scrupulously to a traditional procedure: if a Regent is an officer of a corporation whose stock the University is considering buying or selling, that Regent does not vote or take part in the discussion. This is the only safeguard. Of course a man can own a lot of stock in a company without being on its board of directors, but the Regents' safe-guard does not take this into account. They do not inquire into each others' stock ownership, according to Hammond, nor does he. It is entirely possible for a Regent to telephone his broker with a buy or sell order right after the Committee on Investments decides to buy or sell a big block of shares. That is just a possibility, however; since we are not permitted even to know which stocks the University buys and sells, it is impossible for us to say what goes on.

Yet even in the public records we can find instances of casual dealings with University property. Thus, oil and gas exploitation of a 500-acre tract owned by the University was disposed as follows:

> It is now recommended that an oil and gas lease be executed with the Signal Oil and Gas Company, providing for a term of five years at $7.50 per acre per year thereafter, and a one-sixth royalty. The Treasurer advised that Regents Pauley and Mosher have recommended acceptance.[4]

Regent Mosher is, of course, the Chairman of Signal Oil and Gas. On another occasion, when aerospace stocks were unsettled, the discussion was recorded as follows:

> Various aerospace stocks held by the Regents were discussed briefly and, after Mr. Canaday had expressed his continued confidence in the industry, it was decided to retain present investments.[5]

Mr. Canaday is a vice president of Lockheed Aircraft, one of the aerospace companies in which we know the University does invest.

The University does not simply hold stocks and collect the annual dividends. It actively manages its investment portfolio, buying and selling as conditions warrant in order to achieve maximum

earnings.

The body that generally makes investment decisions is the Committee on Investments, whose chairman is Edwin Pauley. His attitude toward public bodies is best illustrated in his own words:

> We had spent half a million dollars beating the (oil conservation) measure and didn't want to spend that much each year. It was cheaper to get a new Legislature.[6]

The reference was to oil legislation of the 1930's that benefitted big producers like Standard Oil at the expense of independents like Pauley. Pauley's first major venture in politics was as a leading fund-raiser for Culbert Olson's campaign for Governor in 1938. Olson's "anti-monopoly" campaign was well suited to Pauley's battle with the big oil companies. Shortly after Olson's victory the legislature passed a bill favoring big oil producers; surprisingly, Olson signed it and Pauley supported it. A Collier's article very sympathetic to "Big Ed" explains his turnabout this way:

> In 1938 the Pauley affairs were in bad shape, due to a drop in the price of crude oil. His holdings were heavily mortgaged and all of his available assets in hock at the bank. As a way out, he had sold his producing properties to (Regent Mosher's) Signal Oil and Gas Company, a Standard Oil subsidiary. Standard and Signal not only saw a chance to acquire properties that fitted into their organizational plan, but leaped at the opportunity to get rid of a powerful antagonist in the political field. He himself, having bitten off more than he could chew, was glad to strike a bargain that would put him on the sunny side of Easy Street. Since his status had changed, so had his views on oil conservation, and what he had been for he was now against.[7]

Instead of Pauley getting a new legislature, Standard and Signal had gotten a new Pauley.

Pauley's massive fund-raising on behalf of the Democratic campaign in 1940 led to his appointment as secretary-treasurer of the Democratic National Committee in 1942. At the 1944 Convention he led the fight to make Truman the vice-presidential candidate and was chosen as a National Committee member from California. Upon becoming President, Truman in return appointed Pauley as U.S. Ambassador to the International Reparations Commission.

A year later, Truman proposed Pauley for Undersecretary of the Navy. Secretary of the Interior Harold Ickes resigned in protest saying: "I don't care to stay in an administration where I am expected to commit perjury for the sake of the party."[8] Ickes charged that Pauley had promised $300,000 in campaign contributions in exchange for a promise to allow tidelands oil to remain under state jurisdiction. He was also accused of unauthorized slant drilling into government owned oil reserves.

It is impossible for us to say whether Pauley was really guilty of these charges, for the hearings of the Senate Naval Affairs Com-

mittee that received the testimony are still not available to the public.

A year later, Pauley was called up again, this time before the Senate Appropriations Committee on charges that he had made $900,000 in grain speculation by vitrue of his inside knowledge as a Government official.

> This time, Pauley readily admitted to the Senate Approariations Committee that he had speculated heavily in such things as grain, lard and hides (in spite of the fact that the Administration has blamed high prices partially on speculation, and in spite of the fact that Pauley was in a position to know the needs abroad). But he felt he had done nothing wrong. He blustered: "I dealt in everything I could make a profit in, in the good old American way."[9]
>
> Pauley was speculating only in self-defense:
>
> > He said he decided to protect himself and his family against inflation by purchasing commodities and recommended that "every citizen" do likewise "until or unless Congress enacts definite controls against rising prices."[10]

In 1948 Wallace forces gained control of the Democratic Party in California for a short while, but Truman's victory brought Pauley back into a commanding position in the party. That position could not be shaken even by his sizeable contributions to the Eisenhower campaign in 1952 or by his throwing a lavish party for Richard Nixon in 1955.

From what we know of his public history, the Chairman of the Committee on Investments is a man who does not easily distinguish between public interest and private, who deals in "everything I could make a profit in, in the good old American way."

ABUSES OF THE UNIVERSITY

The really distressing thing about the Board of Regents, however, is not the possibility that someone might be stealing pennies from the till; it is the atmosphere engendered in the University by business domination of its Regents.

That atmosphere will probably be thickest at the new Irvine campus when it opens next Fall. The campus is completely surrounded by the huge Irvine Ranch, a continuous 93,000 acres of prime Orange County land. At present the area is mostly rural, but the Irvine family plans to build a new city the size of Berkeley with the campus at its center. If present plans are followed, the Irvine Ranch will own every square foot of land in the city and the surrounding countryside; they call this concept "stewardship."[11]

Imagine the consequences if Irvine students should use the campus to "mount social and political action in the surrounding com-

munity," every inch of which is owned by the Irvine Ranch Company. If any students are so foolish as to appeal to the Board of Regents for help, they should be forewarned: Edward Carter, Chairman of the Board of Regents, is a trustee of the Irvine Foundation.

The problems we face at Berkeley are much more subtle but just as real. The University is not immune from the commercialism and profit-seeking that permeate our society. It is true that accommodation to business interests usually happens at the administration or faculty level, rather than the Regential. The Regents share the blame nevertheless, for as a court of last resort their potential power is a factor in every dispute.

There is no reason to believe, for instance, that the Board of Regents ordered the report on agricultural labor to be censored. It is significant, however, that they have not even discussed the matter (officially, anyway). A State Senate committee has demanded publication of the complete report, the secretary of the State AFL-CIO charges that the University's integrity is at stake -- and the Board of Regents takes no notice.

Partisans of free inquiry are happy that the Regents are ignoring it, for no civil libertarian in his right mind would take such a case before the Regents. Don't the Chandlers own the Tejon Ranch? Isn't Carter a trustee of the Irvine Foundation? Isn't Meyer a director of Newhall Land and Farming Company, Davis the president of Western Fruit Growers Sales, Simon the president of Hunt Foods? Isn't Jesse Tapp chairman of the Bank of America, the biggest agricultural interest of all? Who would bring his case before them?

SEVENTEEN PAGES

The case, briefly, is as follows:

Public Law 78, which permitted the importation of Mexican contract labor (braceros) to work in California fields, expired December 31, 1964. The growers had made profitable use of the braceros to break organizing drives and keep wages down among domestic farm workers. Accordingly, they wanted the bracero program to continue.

The growers claimed that braceros were needed because the domestic labor supply could not satisfy agriculture's needs. Labor claimed that supplemental domestic labor could easily be found if the growers would only pay adequate wages.

A report on agricultural labor done at UCLA supported labor's contention that there was an adequate potential domestic labor supply. Governor Brown and the State Senate Committee on Labor and Welfare asked the Giannini Foundation at Berkeley to do its own study of the problem. The Giannini Foundation report was completed and sent to Sacramento.

Hearings were held by the United States Department of Labor in December, as the bracero program was nearing its expiration

date. John J. Kovacevich, Chairman of the Labor Committee of the State Board of Agriculture, testified on behalf of the Board, whose President is Regent Jesse Tapp.

Kovacevich pleaded for some kind of bracero program, quoting from the Berkeley report to support his position. He introduced both reports in evidence. But the Berkeley report he handed to the Department of Labor had been censored; seventeen pages dealing with domestic labor sources had been cut from the report. The complete report tends to corroborate the UCLA findings, whereas the censored version tends to contradict them.

Governor Brown's office received an intact copy of the report, but the State Senate Fact-Finding Committee on Labor and Welfare was given only the censored version. University officials have refused to provide the Committee with the full report, and the Committee has declared it will try to subpoena the missing pages.

A real Board of Regents would be up in arms, demanding to know whether Jesse Tapp's State Board of Agriculture has been rewriting University reports to suit its conclusions. A real Board of Regents would want to know why the Giannini Foundation should yield so easily to censorship. But this Board has taken no notice, perhaps out of consideration for the feelings of Regent Tapp.

BRACEROS AND BUREAUCRATS

It is not the first case in which the government has interfered with University research in agriculture. In 1956 Henry Anderson got a grant from the National Institute of Health under the sponsorship of the School of Public Health at Berkeley. His research design, approved by an advisory board, called for interviewing 2500 braceros, controlling for 12 variables. After a year and a half of field work, Anderson was asked to submit a statement to the American Friends Service Committee. The statement was strongly critical of the bracero program, and generated strong protests from growers associations and Labor Department officials. In September, 1958, Anderson was told that Department of Labor officials would not allow any more interviewing at the bracero reception centers in El Centro. Anderson wanted to continue interviewing at other, less favorable locations, but his sponsor told him to stop his field work and begin writing his terminal report.

Here was clear interference with a legitimate University research project, a perfect opportunity for the Regents to leap into the breach in their role as guardian of free inquiry. Anderson, however, believes that the order to stop field work came from President Kerr; he was therefore reluctant to take his case through the University hierarchy. Anderson's faculty sponsor, who says no University pressure was involved, did not try to take the case to President Kerr. Both agree that the idea of getting support from

the Regents never occurred to them. *

Even worse than censorship is deliberate press agentry on behalf of a special interest. University officials in the Division of Agriculture Sciences have joined chemical industry spokesmen in a campaign against the President's Scientific Advisory Committee on Agricultural Chemicals and Rachel Carson's book, The Silent Spring. The President's Advisory Committee and Miss Carson both warned that indiscriminate use of chemical insecticides is an immediate danger to public health and wildlife, and can have serious long-range effects on the ecological balance. They have called for intensified research into methods of biological control, which involve more scientific sophistication but less profit than drenching the fields with wide-spectrum toxins.

The chemical industry uses the University as a research and development laboratory for pesticides. In the five-year period from July 1959 to July 1964, chemical companies donated $516,000 to the Division of Agricultural Sciences. Of this amount, $291,000 was for insecticide studies, $216,000 for studies on other chemical pesticides and less than $9,000 for studies on biological control.[12] This "research" is very closely geared to the needs of the chemical companies; often it consists simply of testing a particular insecticide, with chemical company representatives helping tabulate results.

The University has spoken for the chemical industry consistently. In 1960 Robert L. Metcalf, then the Chairman of the Entomology Department at Riverside and now Vice-Chancellor, testified against a bill that would have required pesticide salesmen to be licensed. Since the publication of Rachel Carson's book, University officals have taken every opportunity to denounce it. (For instance, Chancellor Mrak of Davis, in his welcoming speech to the delegates to the Third Annual Conference on the Uses of Agricultural Chemicals in California.)

Ed Swift, the State-wide Coordinator of Pesticide Research of the Agricultural Extension, has been sending copies of a speech by Congressman Jamie Whitten (D - Miss.) to all Extension offices in the state, with the recommendation that county agents use it in their local talks. (Whitten, by the way, is one of the Mississippi Congressmen whose credentials were challenged by the Freedom Democratic Party.)

Whitten supports the mass use of chemical pesticides on the grounds that agriculture is America's greatest weapon in the cold

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* The Henry Anderson case deserves much fuller treatment than we have given it. We have avoided every area of dispute, relating only the events on which both parties agree. For Anderson's side of the case, see the introduction to his book A Harvest of Loneliness, published by Citizens for Farm Labor, PO Box 1173, Berkeley. The other side has not responded publicly; inquiries should be addressed to Dr. Edward Rogers (the faculty sponsor) or to Clark Kerr. The Academic Freedom Committee has begun investigating the case by taking a statement from Dr. Rogers. We hope they will take testimony from Anderson and Kerr as well; anything less would be irresponsible.

war. The scientific value of Whitten's speech may be judged by the following example.

> The Mississippi delta, or a large portion of it, is in my district. Pesticides, the persistent kind, have been used to literally drench much of the delta for years in order to protect crops. Nevertheless, fish and game flourish and thrive. Moreover, my constituents of the area are vigorous and healthy.[13]

PG&E PROGRESS REPORT

The University's scientific integrity is further impaired by the Bodega Head affair.[14] The Pacific Gas and Electric Company wanted to build a nuclear power station at Bodega Head, a site the University wanted for a marine biological laboratory. The power station would have discharged hot water into the ocean, possibly destroying many of the marine organisms, but the University remained officially neutral. Chancellor Strong justified the University's neutrality on the grounds that it was "not appropriate . . . for the University to take an official position on operations or developments on adjoining lands that do not specifically impair the scientific usefulness of University property." In other words, there was no threat to marine life. Yet two years before, Chancellor Glenn Seaborg had said:

> There seems to be general agreement that the discharge of warm water from the power plant might have substantial ecological effects upon the shore life, and though such effects are nearly impossible to predict accurately, they constitute a potential risk which we cannot justifiably take.

A committee of biologists was appointed to study alternate sites. The committee reported that:

> there was not a single one of these sites that was equal to Bodega Head as it now stands. Bluntly stated, a unique Class A site for a marine facility is being exploited for power production.

In 1962, however, Chancellor Strong was claiming that the P G & E plant was no risk to marine life. He cited the biologists' report as evidence, but refused to release that report to the public.

PG&E was finally refused permission to build its plant for reasons entirely unconnected with the marine laboratory. The University's attitude did not result in the destruction of marine organisms after all---but it did help destroy confidence in its integrity.

While the Bodega Head case was being argued in the courts, the University had other business with PG&E. In December, 1962 the Regents received in executive session a report on electric power costs for the Berkeley campus prepared by Beck and Associates, a private consulting firm.

The report concluded that the University was paying too much for its power, and recommended that it buy power from the Central Valley Project of the U.S. Bureau of Reclamation. A transmission line from the Central Valley to Berkeley would either be built by the University or leased from P G & E. Since the report was presented in executive session, it was not---and is not yet---available to the public.

In the meantime, the Regents have been discussing a new contract to replace the one with PG&E that expired December 31, 1964. (The Beck report also recommended that if the University chose to remain with PG&E, it should at least get "more favorable and equitable" rates.)

P G & E is willing to cut its rates for the University, but it strongly opposes losing the University as a customer to the publicly owned Central Valley Project. That would undercut the private utilities' publicity drive against public power. P G & E has refused to provide transmission service between the CVP lines and Berkeley. The Regents have apparently let the whole matter drop right there, even though the Beck report specifically recommended that the University build its own transmission lines. The Beck report calculates that the University would save $4,000,000 in power bills over the next nine years even after paying for the transmission line.

But two years after receiving the Beck report, the Regents have still taken no steps toward construction of the line; meanwhile, the Beck report remains secret. Just as in the Bodega Head controversy, the University is not eager to incur PG&E's wrath. There are, after all, ties of sentiment. James B. Black, chairman of PG&E, raised $2,400,000 for the Student Union; the Haas Clubhouse in Strawberry Canyon bears the name of PG&E director Walter Haas, who contributed the money; the Crocker family that donated the Crocker Radiation Lab is also on the P G & E board; and John Sproul, son of Robert Gordon Sproul, is senior attorney for P G & E.

As long as the Regents have not signed a new contract with PG&E to replace the one that just expired, it is not too late for them to switch to Central Valley power. But certain Regents may find it too easy to see PG&E's point of view. Edward Carter, for instance, is expected in his role as director of Southern California Edison to oppose any extension of public power.

We can best appreciate the Regents' solicitude toward corporate interests by contrasting it with their treatment of members of the University community itself. Not only have they refused to meet with representatives of the FSM, but they have even refused to consider the proposals of the Berkeley Academic Senate.

Their relations with University employees follow the same pattern. The University says it is willing to meet with the Building Service Employees union "any time--the door is always open." The doorknob is a little slippery, though. The University insists that it must approve in advance both the agenda and the representatives who will appear on the union's side. Since the University does not believe that shop stewards---elected representatives of the workers on the job---should be present at negotiating meetings, no meetings have been held.

Their University

Most of us have the feeling that the University of California is a public institution, if only because it runs on public money. But the Regents maintain that they are a private corporation entrusted by the state constitution with virtually full powers to govern the University as they see fit. Instead of apologizing for anachronisms in the constitution, they proclaim their power as proudly as a feudal lord displaying a charter signed by a king centuries dead.

The Regents maintain on principle that they are absolutely independent of the students and faculty. They claim full power to override the decisions of student or faculty governments, and even to establish and dissolve such governments at their discretion. ("The Academic Senate shall perform such duties as the Board may direct and shall exercise such powers as the Board may confer upon it.")[15]

The Regents also claim independence from the State and from political parties (although several Regents are political appointees, as we have seen). To whom then are they responsible? The intent of the constitution was that they should be responsible only to Reason and Truth, an admirable intent which has not at all been realized.

In fact, the Regents cannot help feeling responsible to the huge private corporations that dominate---indeed, constitute---the economy of the state of California. In their minds, this is not corruption or prostitution; they cannot see that things could or should be any other way. Big business they call "industry", and "industry" is society. Shouldn't the Board of Regents and their University be at the service of society?

The corporations do not merely buy the University's products and hire its graduates; they reproduce in the heart of the University itself their own bureaucratic power system, their own goals and values. (The idea is not original with us, for President Kerr has expounded it at great length.)

The University's power structure is explicitly modelled after that of the corporation. We have a Board with final and total authority; a President and Chancellors responsible only to it; and a mass of students and faculty with no rights except those they can extort by the threat of direct action.

It is not so obvious, however, that the corporations' goals and values also prevail within the University. Corporations are supposed to make money, while Universities are supposed to discover and disseminate truth. It is seldom that the two come into conflict so directly as in the censoring of the Berkeley report on agricultural labor. In day to day practice, money does not confront truth; it infiltrates, corrupts and subverts. "Let truth but take the field..."; but truth is often so discouraged that it does not even bother to take

the field.

There are people in this University who want to use their skills and knowledge to benefit their society. There are people in city planning and architecture who want to preserve and develop real neighborhoods instead of designing empty and impressive civic centers; people in agriculture who worry about the lot of the laborers or the over-use of pesticides; people in the natural sciences who care about the uses of the discoveries they make; people in the humanities who think culture should be more widespread. Such people accept the prospect of a tough fight in the community outside; what demoralizes them so completely is the knowledge that they face an uphill battle within the University itself.

Even within an institution that is supposed to be passionately dedicated to truth, such people are considered renegades or eccentrics. The sympathetic say: "They'll learn"; and the unsympathetic say: "They'd better learn."

They know from the beginning that it would be ridiculous to expect help from the Administration and the Regents in a fight against money. What they have to learn is that even their colleagues will not back them up. More often than not, they learn to measure men by the length of their bibliographies or the amount of research money that goes through their hands. Their own community becomes an unconscious parody of private industry.

If it were not so, the University would be a constant threat to the world from which the Regents come. That is why the Regents insist so strongly that it is <u>their</u> University.

notes

1 By-laws and Standing Orders of The Regents, Art. VII, Sec. 2.

2 December 18, 1964

3 The connections of each Regent are taken from Who's Who in America, Who's Who in Commerce and Industry, Who's Who in the West, Poor's Register of Executives and Directors, and the University's official biographical sketches that are found in Vice-President Bolton's office. Descriptions of corporations involved are based on the Moody manuals and on Walker's Manual of Far Western Securities. Where annual sales of a company are given, we have used the most recent year for which data is available without bothering to specify.

4 Minutes, Committee on Finance, October 18, 1963

5 Minutes, Subcommittee on Investments, October 17, 1963

6 St. Louis Post-Dispatch, October 18, 1945. Quoted in Robert Engler, The Politics of Oil (New York: MacMillan, 1961), p 345

7 "Big Tooth and Claw Man", Collier's, July 20, 1946

8 Ickes' letter of resignation and press conference, New York Times, February 14, 1946. Quoted in Engler, op cit., p 347

9 San Francisco Chronicle, December 21, 1947

10 New York Times, December 12, 1947.

11 See article in real estate section of Los Angeles Times, November 13, 1960

12 Compiled from California Agriculture, official publication of the

13 Congressional Record, September 30, 1964

14 The following account is based upon the article "The Administration's Neutrality During the Bodega Head Controversy" by Rita Fabroni, which appears as an appendix in Administrative Pressures and Student Political Activity at the University of California: A Preliminary Report, more commonly known as the Rossman report.

15 Standing Orders of The Regents, Art. IX, Sec. 1

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